

CHAPTER NO. 593

SENATE BILL NO. 3767

By Tracy

Substituted for: House Bill No. 3731

By Sargent, Curtiss

AN ACT to amend Tennessee Code Annotated, Section 56-7-314, relative to life insurance policies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-314, is amended by deleting the current language in its entirety and by substituting instead the following language:

If an organization described in either § 501(c)(3) or § 170(c) of the Federal Internal Revenue Code of 1986, as amended, purchases or receives by assignment, before or after April 23, 1992, life insurance on an insured who consents in writing to the purchase or assignment, the organization is deemed to have or to have had an insurable interest in the insured person's life on the date of purchase or assignment. This section does not limit or abridge any insurable interest on April 23, 1992, at common law or by statute.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.

**PASSED: April 24, 2006**

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 4<sup>th</sup> day of May 2006**

  
PHIL BREDESEN, GOVERNOR